factories list auction dates

American Motors

July 9—Arena Auto Auction, Chicago; High Point Auto Auction, High Point, N.C.; D-A Auto Auction, New Stanton, Pa.

July 10—Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia.; Metro Milwaukee Auto Auction, Caledonia, Wis.

July 11—Evansville Auto Auction, Evansville, Ind.; Corry Auto Auction, Corry, Pa.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Todd Auto Auction, Telford, Pa.; Northway Exchange, Clifton Park, N.Y.

July 12—Floyd Haughe Auto Auction, Bridgeton, Mo.

July 16— Aptco Auto Auction, Taylor, Mich.

July 17—Kansas City Auto Auction, Kansas City; Mid-States Auto Auction, South Bend; Southern Auto Auction, Warehouse Point, Conn.

July 18—Evansville Auto Auction, Evansville, Ind.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Northway Exchange, Clifton Park, N.Y.

July 23—Arena Auto Auction, Chicago; High Point Auto Auction, High Point, N.C.; D-A Auto Auction, New Stanton, Pa.

Chrysler Corp.

July 9—Hatfield Auto Auction, Hatfield, Pa., and Aptco Auto Auction, Taylor, Mich.

July 10—Butler Auto Auction, Gibsonia, Pa.; Sand Mountain Auto Auction, Boaz, Ala.; Minneapolis Auto Auction, Plymouth, Minn., and Dallas Auto Auction, Grand Prairie, Tex.

July 11—Northway Exchange (mini), Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C., and Indianapolis Auto Auction, Indianapolis.

July 12—Concord Auto Auction, Boston, and Floyd Hauhe Auto Auction, Bridgeton, Mo.

Ford Motor Co.

July 9—Harrisonburg Auto Auction, Harrisonburg, Va.

July 10—Golden Gate Auto Auction, Fremont, Calif.; Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Northstar Auto Auction, Shakopee, Minn.

July 11—Nashville Auto Auction, Nashville.

July 17—Columbus Fair Auto Auction, Obetz, O., and Concord Auto Auction, Acton, Mass.

July 18—Arena Auto Auction, Chicago, Ill., and Dallas Auto Auction, Dallas.

General Motors

July 9—Dallas Auto Auction, Dallas.

July 10—Golden Gate Auto Auction, Fremont, Calif., and Hatfield Auto Auction, Hatfield, Pa.

July 11—Aptco Auto Auction, Detroit, and Floyd Hauhe Auto Auction, Bridgeton, Mo.

July 16—Florida Auto Auction of Orlando, Orlando, and Denver Auto Auction, Englewood, Colo.

July 17—Northstar Auto Auction, Shakopee, Minn., and Brasher's Auto Auction, Fontana, Calif.

July 18—Nashville Auto Auction, Nashville, and Ohio Auto Auction, Columbus, O.

July 23—Southern Auto Auction, East Windsor, Conn., and South Seattle Auto Auction, Kent, Wash.

Used Car Sales
Auction Averages

July to date	$5,296
Month ago	$5,337
Year ago	$4,782

Model Breakdown
Auction Averages

	JULY TO DATE	JUNE 1985	MAY 1985
1985	$11,036	$11,181	$11,515
1984	$7,894	$8,061	$8,553
1983	$6,345	$6,306	$6,474
1982	$5,574	$5,544	$5,361
1981	$4,522	$4,536	$4,339
1980	$3,553	$3,528	$3,226
1979	$2,938	$2,953	$2,706
1978	$2,149	$2,114	$2,039
Overall Average	$5,268	$5,296	$5,283

used-car auction directory

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COX Communications, Inc.

Imports up more than domestics

Sales rise 2 pct. for first half

Continued from Page 1

down 3.25 percent from 2,518,156 a year earlier. American Motors was down 35.14 percent, to 62,430 from 96,256. Volkswagen Golf sales were off 8.97 percent, to 39,962 from 43,901.

GM forfeited almost three percentage points from its share of the first-half domestic market, dropping to 56.46 percent from 59.30 percent. Ford was up to 25.07 percent from 23.77 percent. Chrysler just missed 14 percent, rising to 13.99 percent from 12.08 percent.

AMC plunged to 1.45 percent from 2.27 percent and yielded its fourth-place position to Honda, which expanded to 1.93 percent from 1.55 percent. VW dipped to 0.93 percent from 1.03 percent, and Nissan cornered 0.17 percent of the 1985 first half.

At Chrysler Corp., Dodge first-half sales were up 19.72 percent, Chrysler was up 16.51 percent and Plymouth climbed 16.30 percent.

All Ford Motor Co. makes posted gains for the period: Ford was up 10.20 percent, Mercury was up 1.08 percent and Lincoln was up 2.94 percent.

At GM, Pontiac was the only make to finish ahead of its 1984 total, with sales of 410,923 up 8.01 percent from 380,449. Chevrolet was down 3.45 percent, Oldsmobile was down 6.05 percent, Buick dropped 5.94 percent and Cadillac was down 9.80 percent.

AMC Eagle sales dropped 47.57 percent for the first half, Renault was down 33.59 percent, VW slumped 8.97 percent, while Honda was 26.47 percent ahead of its 1984 pace. Nissan sales of U.S.-built Sentras were on the books for the first time in 1985 and scribbled the number 7,287 in the first-half column.

There were 153 selling days the first half of 1985, yielding a daily average of 28,200, up 2.27 percent from 27,574 from 154 selling days a year earlier.

First-half import sales included records for BMW, up 14.63 percent to 42,351 from 36,945 last year; Jaguar, up 5.05 percent to 9,322 from 8,874; Mercedes, up 8.32 percent to 43,899 from 40,526, and Saab, up 11.89 percent, to 20,300 from 18,143. Volvo was up 0.99 percent to a record 57,580 from 57,014.

Other first-half comparisons included: Audi, off 6.91 percent; Honda, up 3.56 percent; Isuzu, up 46.20 percent; Mazda, up 5.27 percent and Mitsubishi, up 11.73 percent.

Nissan imports were up 2.89 percent, Peugeot dropped 21.44 percent, Porsche was down 2.91 percent, Renault plunged 34.46 percent, Subaru was off 0.06 percent, Toyota was up 5.37 percent and VW was up 14.30 percent.

June domestic sales were down 6.97 percent, to 676,675 from 727,370 in 1984. Every maker except Honda reported a sales drop for the month, and Honda was up only 0.78 percent, to 12,141 from 12,047. June and February were the two months of decline thus far in 1985.

GM skidded 9.29 percent for the month, down to 381,471 from 420,527. Ford was down 2.86 percent, to 174,075 from 179,196. Chrysler sales dropped 2.42 percent, to 90,065 from 92,301. AMC sales of 9,066 were down 45.71 percent from 16,700 while VW reported a decline of 7.59 percent, to 6,098 from 6,599. Nissan sales in June totaled 3,759.

GM's share of the June market dropped to 56.37 percent from 57.81 percent. Ford was up to 25.73 percent from 24.64 percent. Chrysler moved up to 13.31 percent from 12.69 percent. Honda had 1.79 percent, up from 1.66 percent.

VW slipped to 0.90 percent from 0.91 percent and AMC tumbled to 1.34 percent from 2.29 percent. Nissan earned 0.56 percent this year, its first June on the domestic market.

The daily selling rate was off 3.25 percent in June, to 27,067 from 27,976. There were 25 days this year compared with 26 selling days in 1984.

Ford, Chrysler and Honda were the only domestic makes with improved sales June to June. Ford was up 0.68 percent, Chrysler charged ahead 22.89 percent and Honda was up 0.78 percent.

Combined import and domestic sales for the month were off 2.82 percent, to 925,334 from 952,214. Imports earned 26.87 percent of the market; U.S. intermediates had 27.56 percent; compacts were 14.71 percent; subcompacts had 12.83 percent; standards were 9.76 percent, and luxury cars had 8.27 percent of the June total.

Excluding imports, the market class breakdown featured: Intermediates at 37.69 percent, compacts at 20.11 percent, subcompacts at 17.54 percent, standards at 13.35 percent and luxuries at 11.31 percent.

Import sales in June achieved a record total of 248,659 which included individual records for BMW, Mercedes, Saab and Volvo. Honda sales were up 18.51 percent, Isuzu was up 57.30 percent, Mazda was up 13.72 percent, Mitsubishi was up 61.72 percent, Nissan was up 15.25 percent and Toyota dropped 9.87 percent. Volkswagen reported a June imports sales increase of 38.73 percent.

The final June period was marred by a 21.78-percent drop for the domestics, which together plunged to 219,621 from 280,764 last year. On a daily-rate basis the decline was less precipitous, down 12.00 percent. With eight days this year the daily average figured to 27,453 compared with 31,196 from nine days in 1984.

GM was down 24.48 percent, Ford was off 18.34 percent, Chrysler dropped 17.93 percent, AMC was down 54.04 percent, VW dropped 11.32 percent and Honda was up 0.05 percent.

The market was divided in this manner: GM had 53.67 percent, Ford had 25.91 percent, Chrysler had 13.64 percent, AMC had 1.85 percent, VW had 1.34 percent, Honda had 2.56 percent and Nissan had 1.03 percent.

Second-quarter domestic sales were up 0.92 percent, to 2,272,546 from 2,251,734.

Where auto market was, June, 1985

	Total Sales	Pct. of Total
SUBCOMPACT	118,695	12.83
COMPACT	136,082	14.71
INTERMEDIATE	255,041	27.56
STANDARD	90,342	9.76
LUXURY	76,515	8.27
IMPORTS	248,659	26.87
TOTAL	925,334	100.00

IMPORTED CAR SALES

	June, 1985	June, 1984	6 Mos., 1985	6 Mos., 1984
Alfa Romeo	361	360	2,488	1,731
Audi	6,707	7,814	37,071	39,823
BMW	7,821	6,655	42,351	36,945
Chevrolet Spectrum	4,508	___	22,907	___
Chevrolet Sprint	1,911	2,346	8,623	3,078
Dodge Colt	2,802	2,531	14,629	15,637
Dodge Conquest	221	298	1,399	2,263
Dodge Vista	1,190	602	4,579	3,134
Honda	35,414	29,882	202,849	195,873
Isuzu	2,597	1,651	11,586	7,993
Jaguar	1,713	1,829	9,322	8,874
Maserati Biturbo	178	___	837	___
Mazda	16,175	14,223	86,350	82,030
Mercedes-Benz	7,476	5,926	43,899	40,526
Merkur	747	___	2,733	___
Mitsubishi	5,023	3,106	21,891	19,593
Nissan	53,473	46,336	251,250	244,245
Peugeot	1,275	1,553	7,536	9,593
Plymouth Colt	2,658	2,131	13,919	13,794
Plymouth Conquest	232	283	1,351	1,951
Plymouth Vista	1,190	580	4,529	2,940
Porsche	1,879	1,713	12,122	12,485
Renault	453	1,341	4,251	6,486
Saab	4,224	3,436	20,300	18,143
Subaru	14,554	14,307	78,499	78,550
Toyota	52,125	57,836	283,932	269,458
Volkswagen	12,260	8,837	68,033	59,521
Volvo	9,492	9,206	57,580	57,014
TOTAL	248,659	224,844	1,316,959	1,231,655

U.S. CAR SALES BY MARKETING UNITS

	June, 1985	June, 1984	6 Mos., 1985	6 Mos., 1984
Chevrolet	123,753	146,172	867,717	869,125
Ford	116,813	116,029	729,732	662,217
Oldsmobile	97,671	104,325	574,501	611,473
Buick	76,664	82,110	466,252	495,687
Nissan	57,232	46,398	258,580	244,245
Pontiac	55,714	62,071	410,923	380,449
Toyota	52,125	57,836	283,932	269,458
Honda	47,555	41,929	285,900	261,543
Mercury	45,537	48,115	275,444	269,808
Dodge	36,964	39,510	253,574	215,634
Chrysler	35,615	28,981	188,895	162,125
VWoA	25,065	24,963	145,066	155,703
Cadillac	24,088	29,195	148,384	164,500
Plymouth	25,779	30,235	201,755	175,134
Mazda	16,175	14,223	86,350	82,030
Subaru	14,554	14,307	78,499	78,550
Lincoln	12,472	15,052	79,429	77,161
AMC—Renault	9,519	18,041	66,681	102,742
Volvo	9,492	9,206	57,580	57,014
Mercedes-Benz	7,476	5,926	43,899	40,526
BMW	7,821	6,655	42,351	36,945
Mitsubishi	5,023	3,106	21,891	19,593
Saab	4,224	3,436	20,300	18,143
Porsche	1,879	___	12,122	___
Isuzu	2,597	1,651	11,586	7,993
Jaguar	1,713	1,829	9,322	8,874
Peugeot	1,275	1,553	7,536	9,593
Alfa Romeo	361	360	2,488	1,731
Maserati Biturbo	178	___	837	___
TOTAL	925,334	952,214	5,631,626	5,477,998

Chevrolet includes Sprint and Spectrum. Honda combines imports and domestics. Dodge includes Colt, Conquest, Vista. Plymouth includes Colt, Conquest, Vista. VWoA includes Audi, and Porsche through Aug. 31, 1984. Porsche figures began Sept. 1, 1984. Nissan includes Sentras built in the U.S.

New with Isuzu

VAN NUYS, Calif.—Gary Rodrigues has signed with Isuzu for Valley Motor Center.

DOMESTIC CAR SALES

	June 21 to June 30, 1985	Same Period, 1984	June 1985	Same Month, 1984	Jan. 1 to June 30, 1985	Same Period, 1984
Alliance	0	0	4,812	8,405	34,319	50,034
Encore	0	0	3,606	6,835	22,505	35,530
Total Renault	0	0	8,418	15,240	56,824	85,564
Eagle	0	0	648	1,460	5,606	10,692
Total AMC	0	0	648	1,460	5,606	10,692
AMERICAN MOTORS	4,056	8,825	9,066	16,700	62,430	96,256
Horizon	1,408	2,345	4,822	5,975	49,253	40,507
Turismo	1,140	1,804	3,574	4,620	31,295	24,631
Reliant	2,638	6,090	8,511	14,874	70,788	82,433
Caravelle	836	0	2,965	0	19,288	0
Plymouth	573	675	1,827	1,772	11,332	8,878
Total Plymouth	6,595	10,914	21,699	27,241	181,956	156,449
Laser	1,258	2,314	3,753	5,665	29,665	29,314
LeBaron K	2,074	3,820	6,991	9,882	46,394	51,836
LeBaron GTS	2,654	0	8,297	0	32,890	0
Cordoba	0	0	0	0	0	124
Fifth Avenue	5,753	2,757	12,282	6,829	51,945	38,004
E-Class	0	854	0	2,425	18,318	16,447
New Yorker	1,268	1,533	4,292	4,180	9,386	26,400
Total Chrysler	13,007	11,278	35,615	28,981	198,598	162,125
Omni	1,176	2,261	4,018	5,700	41,485	35,011
Charger	1,135	1,856	3,624	4,623	33,628	27,465
Daytona	1,310	1,903	3,718	4,637	27,839	24,503
Aries	2,543	4,966	7,703	11,720	57,444	62,556
Lancer	1,900	0	5,910	0	23,199	0
Dodge 400-600	0	976	0	2,493	3,012	12,826
Diplomat	982	1,270	3,385	3,603	20,015	12,812
Mirada	0	0	0	0	0	250
Dodge 600	1,318	1,090	4,393	3,303	26,345	19,177
Total Dodge	10,364	14,322	32,751	36,079	232,967	194,600
CHRYSLER CORP.	29,966	36,514	90,065	92,301	603,521	513,174
EXP	425	1,142	1,378	2,683	14,430	14,268
Escort	11,133	11,823	34,659	31,452	201,632	178,544
Mustang	4,895	4,747	15,159	12,118	84,981	69,134
Tempo	5,840	9,190	17,689	23,589	157,339	128,266
Thunderbird	4,462	5,165	14,193	12,981	82,243	81,060
LTD	4,869	6,196	19,050	16,630	105,373	102,386
Crown Victoria	5,319	6,516	14,685	16,576	83,734	88,559
Total Ford Division	36,943	44,779	116,813	116,029	729,732	662,217
Lynx	2,212	2,165	7,306	6,022	41,064	34,421
Topaz	1,840	2,500	5,459	6,358	43,417	37,202
Cougar	3,994	4,176	11,221	10,360	57,371	60,153
Capri	443	638	1,183	1,570	7,947	10,072
Marquis	2,790	3,838	7,952	10,154	48,696	53,773
Grand Marquis	4,500	5,240	11,669	13,651	68,396	74,187
Total Mercury	15,779	18,557	44,790	48,115	272,711	269,808
Continental	798	2,422	1,986	4,635	15,070	14,995
Lincoln	2,674	2,577	8,444	7,500	54,125	42,765
Mark VII	702	1,337	2,042	2,917	10,234	19,401
Total Lincoln	4,174	6,336	12,472	15,052	79,429	77,161
Total L-M Division	19,953	24,893	57,262	63,167	352,140	346,969
FORD MOTOR COMPANY	56,896	69,672	174,075	179,196	1,081,872	1,009,186
Skyhawk	2,596	5,177	7,804	12,766	49,090	65,316
Skylark	806	4,153	3,312	9,869	49,106	55,701
Somerset Regal	1,656	0	6,436	0	55,214	(0)
Century	6,817	7,094	22,468	16,896	115,607	111,546
Regal	3,254	6,901	10,694	17,010	55,646	105,696
LeSabre	3,878	5,666	13,287	13,006	77,161	82,875
Electra	2,602	3,942	7,268	8,526	37,002	46,757
Riviera	1,661	1,616	5,395	4,037	27,426	27,796
Total Buick	23,270	34,549	76,664	82,110	466,252	495,687
Cimarron	504	527	1,623	1,376	11,553	9,172
Seville	722	1,134	2,401	3,023	16,638	18,630
Cadillac	5,214	6,671	15,369	17,885	85,672	101,506
Eldorado	1,454	2,292	4,695	5,911	34,521	35,192
Total Cadillac	7,894	10,624	24,088	28,195	148,384	164,500
Chevette	3,068	5,209	10,184	13,172	64,127	97,042
Nova	1,249	0	3,195	0	3,196	0
Cavalier	9,050	13,475	25,611	35,035	232,584	196,613
Citation	770	3,079	2,604	9,153	34,090	55,833
Camaro	5,857	8,111	18,120	19,732	108,316	109,718
Celebrity	11,450	11,830	33,775	29,951	181,617	177,875
Malibu	0	13	0	30	0	875
Monte Carlo	3,299	3,904	10,028	10,176	60,935	72,957
Chevrolet	7,034	10,246	20,748	24,685	130,991	140,598
Corvette	1,001	743	3,069	1,892	20,331	14,536
Total Chevrolet	42,778	56,610	127,334	143,826	836,187	866,047
Firenza	1,011	1,986	4,042	7,708	30,803	33,969
Omega	0	1,396	0	4,870	0	25,725
Calais	1,789	0	8,461	0	69,402	0
Cutlass Ciera	7,493	7,102	31,714	25,308	174,862	142,054
Cutlass Supreme	4,431	7,023	19,851	27,690	114,396	192,859
Olds 88	5,061	7,468	20,039	26,654	110,836	146,970
Olds 98	3,150	2,381	10,477	8,253	55,929	48,766
Toronado	799	1,178	3,087	3,842	18,262	21,130
Total Oldsmobile	23,734	28,534	97,671	104,325	574,490	611,473
Fiero	2,332	3,095	6,295	7,142	52,733	55,781
1000	427	981	1,753	2,392	11,913	14,278
Sunbird	2,382	5,334	6,532	12,903	63,332	67,184
Phoenix	0	816	0	1,893	896	8,509
Firebird	3,278	3,701	9,003	9,065	56,624	55,965
Grand Am	1,586	0	6,644	0	56,154	0
6000	5,417	4,742	12,680	11,144	79,193	69,872
Bonneville	1,494	2,462	3,915	6,152	27,609	38,713
Grand Prix	1,519	2,671	4,186	6,464	29,085	41,848
Parisienne	1,752	1,959	4,706	4,916	33,384	28,299
Total Pontiac	20,187	25,761	55,714	62,071	410,923	380,449
GENERAL MOTORS	117,863	156,078	361,471	420,527	2,436,236	2,518,156
VOLKSWAGEN	2,952	3,329	6,098	6,599	39,962	43,901
HONDA	5,629	6,346	12,141	12,047	83,051	65,670
NISSAN	2,259	0	3,759	0	7,287	0
DOMESTIC TOTAL	219,621	280,764	676,675	727,370	4,314,667	4,246,343
IMPORT TOTAL	.....	.....	248,659	224,844	1,316,959	1,231,655
INDUSTRY TOTAL	.....	.....	925,334	952,214	5,631,626	5,477,998

But holiday-week's build dives to 81,536

Best half since '79 for auto makers

By Louise Kertesz
Detroit Reporter

U.S. auto makers produced 4,411,200 units during the first half of this year, according to adjusted figures based on totals released by the manufacturers.

It was the best six months' production since the first half of 1979, when 4,900,546 cars were assembled.

This year's first half was up 4.55 percent from the 4,219,225 total for the year-ago period.

Second-quarter production of 2,226,923 cars was up 7.60 percent from 2,069,560 in the second quarter of 1984. It was the best output for the period since 1979. It was also the highest quarterly output since the first three months of that year.

Production for the Fourth of July holiday week was unusually low, not only because no Saturday overtime was scheduled but also because many plants were idle for the entire week.

As reported earlier, plants of Ford Motor Co. and Nissan Motor Mfg. Co., U.S.A., were down last week for vacation. American Motors' Kenosha facility was closed for inventory adjustment, and VWoA's Westmoreland (Pa.) plant was idled by a parts shortage.

Ford, Nissan and VWoA are closed this week also, with production scheduled to resume July 15.

Last week's 81,536-unit build, the lowest for any week this year, plummeted 51.93 percent from the previous week's 169,626 and was 14.19 percent below the 95,018 for the year-ago week.

So far this year, 4,488,142 cars have been assembled, 3.09 percent more than the 4,353,755 completed last year at this point.

Companies accounted for last week's scheduled production as follows: General Motors, 69.67 percent; Chrysler Corp., 26.86 percent; Honda of America Mfg. Co., 2.27 percent, and New United Motor Mfg. Co., 1.20 percent.

Chrysler has scheduled two nine-hour daily shifts this week (July 8) at its plants in Belvidere, Ill., and St. Louis (Nos. 1 and 2).

Bendix restraints division adding plant in Mexico

MOUNT CLEMENS, Mich.—The Bendix Safety Restraints Division of Allied Automotive is adding a production facility in Mexico and restructuring its U.S. manufacturing operations to accommodate new and anticipated production orders.

The new and anticipated business includes orders for the division's advanced passive-restraint systems developed to comply with federal passive-restraint legislation, which mandates the gradual introduction of such systems beginning in 1987, according to Robert L. Cox, vice president and division manager.

The new facility will be located in a 75,000-square-foot leased structure in Agua Prieta, Mexico. Production is expected to begin at the new Mexican facility this fall. Initial employment will be about 345—45 salary and 300 hourly.

Assembly operations of several lines of passenger-car and light-truck seat-belt systems will be moved to Mexico from the division's Greenville (Ala.) facility to make room at Greenville for passive-restraint system production, said Cox.

Federal legislation mandates that 10 percent of all new cars must have passive restraints in the front seats by 1987, 25 percent by 1988, 40 percent by 1989 and 100 percent by 1990. The ruling will be rescinded if states with two-thirds of the nation's population have mandatory seat-belt-use laws meeting federal standards on or before April 1, 1989.

The restructuring also will make room for expanded production of current seat-belt models to meet additional 1986 orders.

CANADIAN CAR PRODUCTION

	Week Ended July 6, 1985	Week Ended July 7, 1984	Week Ended June 29, 1985	June Total	Jan. 1 to July 7, 1984	Jan. 1 to July 6, 1985
AMERICAN MOTORS	0	0	0	811	12,250	5,493
FORD MOTOR	4,408	3,377	11,440	45,546	238,235	267,607
GENERAL MOTORS	10,975	9,934	11,089	54,275	348,367	282,590
VOLVO	180	156	225	658	5,831	5,556
Total Cars, Canada	15,563	13,467	22,754	101,290	604,683	561,246

U.S. TRUCK PRODUCTION☆

	Week Ended July 6, 1985	Week Ended July 7, 1984	Week Ended June 29, 1985	June Total	Jan. 1 to July 7, 1984	Jan. 1 to July 6, 1985
CHEVROLET	14,091	16,505	23,755	104,256	524,164	627,122
DODGE	3,300	3,063	4,709	19,357	109,634	113,627
FORD	0	0	20,403	101,746	627,283	626,328
GMC	4,222	4,719	8,525	33,792	170,560	193,498
INTERNATIONAL	0	0	996	6,612	39,139	41,705
JEEP	4,120	0	3,587	17,704	100,209	109,208
NISSAN	0	1,715	2,693	9,890	51,429	53,286
AM GENERAL	30	40	50	200	1,370	1,290
MISCELLANEOUS	1,044	800	1,739	6,956	27,200	47,064
Total Trucks, U.S.	26,807	26,842	66,457	300,513	1,650,988	1,813,128

CANADIAN TRUCK PRODUCTION

	Week Ended July 6, 1985	Week Ended July 7, 1984	Week Ended June 29, 1985	June Total	Jan. 1 to July 7, 1984	Jan. 1 to July 6, 1985
CHRYSLER	7,294	6,366	7,498	35,892	195,398	222,504
FORD	0	0	3,566	14,505	84,442	89,320
GENERAL MOTORS	4,608	4,793	5,830	24,913	162,835	155,361
INTERNATIONAL	0	0	271	1,296	3,913	5,656
Total Trucks, Canada	11,902	11,159	17,165	76,606	446,588	472,841
N. American Trucks	38,709	38,001	83,622	377,119	2,097,576	2,285,969

☆—Now incudes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

Truck production for first half is best in 6 years

Domestic truck production of 1,785,992 units for the first half of 1985 was the best six-month build since the same period of 1979, when 1,891,166 trucks were assembled, according to adjusted figures based on company totals.

First-half production this year was up 8.54 percent from 1,645,455 for the year-ago period.

Second-quarter production of 920,696 trucks was the best output of any quarter since the first three months of 1979, when 1,003,218 trucks were completed.

Output for the second quarter was 10.05 percent better than the 836,603 total for the same period in 1984.

With plants of Ford Motor Co., International Harvester and Nissan Motor Mfg. Co., U.S.A., closed for vacation—and with the build cut by the Fourth of July holiday—truck output last week was the lowest of any week this year.

Makers scheduled assembly of 26,807 trucks last week, 59.66 percent fewer than the previous week's 86,547, but about the same (down 0.13 percent) as the year-ago week's 26,842.

Year-to-date, 1,813,128 trucks have been assembled, 9.82 percent more than the 1,650,988 completed last year at this point.

Ford, International Harvester and Nissan plants remain closed this week. Production is scheduled to resume at these facilities on July 15.

Canada posts best half ever for truck output

Canadian truck manufacturers had their best six months' production ever during the first half of this year as they built 460,900 units.

The first-half total topped the 439,267 for the same period of 1984, which had been the previous record six-month output.

Second-quarter truck production of 233,074 units was also the top quarter ever for the manufacturers, surpassing by 4.19 percent the previous record quarter—223,692 for the same period of 1984.

Last week's truck build of 11,902 units—cut by the Canada Day holiday and plant closings for vacation—was down 30.66 percent from the previous week's 17,165 but was 6.66 percent better than the year-ago week's 11,159.

So far this year, 472,841 trucks have been completed, 5.88 percent more than the 446,588 built last year at this time.

Ford Motor Co. and International Harvester plants remain closed for their second week of vacation this week. They are scheduled to reopen July 15.

Canadian car production of 547,461 for the first half of this year was down 8.41 percent from the year-ago period's 597,708.

Second-quarter output of 302,897, though up 23.85 percent from the first quarter's 244,564, lagged 2.42 percent behind the 310,399 for the same period last year.

Last week's car production of 15,563 units was 31.60 percent less than the previous week's 22,754 but 15.56 percent more than the year-ago week's 13,467.

Year-to-date, 561,246 cars have been assembled, 7.18 percent fewer than the 604,683 completed last year at this point.

American Motors' Brampton (Ont.) plant remains closed for vacation and changeover. It is scheduled to reopen Aug. 5.

U.S. CAR PRODUCTION

	Week Ended July 6, 1985	Week Ended July 7, 1984	Week Ended June 29, 1985	June Total	Jan. 1 to July 7, 1984	Jan. 1 to July 6, 1985
AMERICAN MOTORS	0	3,532	0	7,089	99,419	54,072
Renault Total	0	3,532	0	7,089	99,419	54,072
Alliance	0	1,970	0	4,276	53,427	32,928
Encore	0	1,562	0	2,813	45,992	21,144
CHRYSLER CORP.	21,900	20,320	29,296	124,531	709,358	746,572
Plymouth Total	6,300	5,993	8,046	33,945	206,965	215,489
Horizon	2,400	2,598	3,149	13,285	85,415	79,220
Reliant	2,600	2,702	3,500	14,587	105,244	95,949
Caravelle	800	235	977	4,372	5,165	29,554
Gran Fury	500	458	420	1,701	11,141	10,766
Chrysler Total	7,400	6,971	9,867	42,075	239,490	247,486
LeBaron	1,600	2,274	2,130	8,774	72,633	58,144
LeBaron GTS	2,000	0	2,673	10,831	0	55,291
Laser	900	1,194	1,364	5,942	43,356	30,997
New Yorker/E-Class	1,200	1,820	1,609	7,016	61,048	40,558
Fifth Avenue	1,700	1,683	2,091	9,512	62,453	62,496
Dodge Total	8,200	7,356	11,383	48,511	282,903	283,597
Omni	2,200	2,378	2,999	12,561	80,806	78,925
Aries	2,300	2,185	3,150	12,928	83,074	78,618
Daytona	900	911	1,246	5,438	32,365	28,031
Dodge 600	1,000	1,254	1,497	6,540	46,264	39,181
Lancer	1,400	0	1,683	7,025	0	39,523
Diplomat	400	628	808	4,019	20,394	19,319
FORD MOTOR	0	0	32,826	133,420	926,325	894,919
Ford Division	0	0	21,349	85,475	602,334	593,806
Escort	0	0	7,501	29,946	186,244	169,375
Mustang	0	0	3,686	15,154	71,347	94,796
LTD	0	0	2,809	12,191	115,676	117,707
Thunderbird	0	0	3,281	12,122	83,421	102,270
Crown Victoria	0	0	0	0	40,350	7,122
EXP	0	0	0	0	17,877	3,863
Tempo	0	0	4,072	16,062	87,419	98,673
L-M Division	0	0	11,477	47,945	323,991	301,113
Mercury Total	0	0	7,925	33,781	234,146	215,875
Lynx	0	0	1,725	6,616	35,991	38,531
Capri	0	0	759	2,326	9,390	9,403
Marquis	0	0	1,471	6,874	60,315	59,146
Cougar	0	0	2,843	13,383	55,857	73,787
Grand Marquis	0	0	0	0	50,266	4,733
Topaz	0	0	1,127	4,582	22,327	30,275
Lincoln Total	0	0	3,552	14,154	89,845	85,238
Continental	0	0	507	1,974	19,932	14,519
Lincoln	0	0	2,656	10,616	52,976	61,288
Mark VI/VII	0	0	389	1,574	16,937	9,431
GENERAL MOTORS	56,811	71,166	99,286	396,783	2,496,770	2,632,675
Buick Total	13,415	18,112	21,887	82,433	547,199	534,107
Skylark	0	1,542	0	0	53,221	40,953
Skyhawk	1,419	2,324	2,412	10,560	85,181	59,956
Somerset Regal	1,563	136	2,310	6,405	299	63,804
Century	3,628	4,382	6,129	23,961	120,351	139,187
Regal	2,066	3,984	2,556	12,122	119,997	64,958
LeSabre/Electra(rwd)	1,590	3,711	3,090	12,582	117,494	75,177
Riviera	708	834	1,565	6,233	27,824	35,781
Electra(fwd)	2,441	1,199	3,825	10,570	22,832	54,491
Cadillac Total	4,163	5,130	7,092	26,984	177,182	195,142
Cimarron	318	208	632	2,523	9,461	15,369
Seville	429	545	693	2,756	22,158	20,809
Eldorado	843	1,206	1,352	5,384	42,580	39,140
Cadillac (rwd)	250	1,687	403	2,700	78,976	27,412
DeVille (fwd)	2,323	1,484	4,012	15,621	24,007	92,412
Chevrolet Total	17,209	23,896	32,303	132,632	851,425	902,864
Chevette	1,813	2,023	3,775	14,610	105,533	86,366
Cavalier	5,592	6,633	11,199	43,718	222,515	263,604
Celebrity	3,255	5,214	5,690	22,644	160,911	151,090
Camaro	2,983	4,553	5,060	20,224	141,643	125,545
Citation	0	2,233	0	0	59,669	28,697
Malibu/El Camino	0	0	0	0	16,346	0
Monte Carlo	1,167	1,195	1,340	8,294	64,745	76,602
Chevrolet	1,799	1,489	4,256	19,201	62,586	147,183
Corvette	600	556	983	3,941	17,477	23,577
Oldsmobile Total	14,436	15,784	23,273	95,152	624,561	649,918
Omega	0	858	0	0	27,497	0
Firenza	501	873	1,118	4,833	40,876	36,173
Cutlass Supreme	3,000	2,768	3,789	21,651	157,502	118,683
Cutlass Ciera	3,904	4,091	7,857	26,342	151,499	194,258
88/98 (rwd)	3,670	4,840	5,109	20,963	196,321	126,689
Olds 98 (fwd)	1,720	1,548	2,799	9,592	25,492	74,265
Calais	1,221	135	1,955	7,081	0	78,343
Toronado	420	651	866	2,670	25,374	21,537
Pontiac Total	7,588	8,244	14,731	57,582	296,403	390,944
Acadian**	0	142	293	753	9,314	7,408
2000 Sunbird	1,502	2,307	3,389	12,907	80,852	75,778
1000	379	649	718	2,130	22,134	11,854
Firebird	1,589	2,518	2,629	10,452	62,047	66,819
Phoenix	0	377	0	0	13,686	0
6000	933	0	1,600	6,023	0	24,990
Grand Prix/Bon'vle	0	0	0	0	29,733	0
Parisienne	1,001	335	1,928	7,884	15,101	39,119
Fiero	1,548	1,916	2,662	10,706	63,516	62,530
Grand Am	636	0	1,512	6,727	0	62,267
HONDA	1,850	0	3,062	12,228	66,450	83,586
NISSAN	0	0	1,383	5,091	0	10,616
NUMMI (Nova)*	975	0	1,500	5,500	0	13,224
VOLKSWAGEN	0	0	2,273	9,029	55,431	52,276
Total Cars, U.S.	81,536	95,018	169,626	699,699	4,353,755	4,488,142
Total Cars, Canada	15,563	13,467	22,754	101,290	604,683	561,246
N. American Cars	97,099	108,485	192,380	794,978	4,958,438	5,049,388
N. American Trucks	38,709	38,001	83,622	377,119	2,097,576	2,285,969
North American Cars and Trucks	135,808	146,486	276,002	1,172,097	7,056,014	7,335,357

*—Revised estimate.
**—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

July 15, 1985

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60th year—$45 per year, $1.00 per copy

170 auto leaders average $579,928 for 1984

Executive pay up 15 pct.

By Michelle Krebs
Financial Editor

A record year of profits for the automotive industry spelled a record year of salaries for the executives of automotive and supplier companies.

The annual Automotive News survey of the executives of publicly traded companies who make more than $300,000 in combined salary and bonus showed the average compensation in 1984 amounted to $579,928, up 15 percent from 1983's $505,814. In 1982, the average was $400,000.

The combined compensation of the 170 executives on the 1984 list amounted to almost $100 million, up from 1983's $87 million for 172 executives, according to the survey compiled from company proxy statements which list only the five top-paid executives.

The number of executives who made more than $1 million in salary and bonus doubled to 12 in 1984 from six in 1983.

Philip Caldwell, Ford Motor Co. chairman during 1984, held the No. 1 spot for the second consecutive year with a combined salary and bonus of $1.58 million. Caldwell retired from Ford in February.

The average raise for top executives amounted to 23 percent last year. The average increase in 1983 from 1982—a recession year in which salaries rose little or not at all—was 40 percent.

Chrysler Corp. executives enjoyed the largest increases in compensation. Chrysler's top four executives showed increases in bonuses and salaries of about 150 percent each. However, Chrysler's proxy statement in 1983 listed only salaries; bonuses for 1983 were not revealed until 1984's proxy statement.

Nevertheless, Chrysler Chairman Lee A. Iacocca, who had a 151-percent increase in salary and bonus, bumped General Motors Chairman Roger B. Smith from the No. 4 spot to No. 7.

Increases in 1984 were not as

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Shop volume has 2nd best gain of 1985

By Jack Walsh
Service Editor

Service and parts gains in the nation's franchised auto dealerships were down in May from the previous month, but the rate of growth over the same month in 1984 was the second-highest of the year.

Special Service Section Starts on Page E-1 following Page 26.

Volume during the month, according to the Automotive News Service Index, was 13.5 percent higher than in May a year ago, with sales of parts to outside customers the strongest of the six indicators used in the survey.

The April rate of growth over the same month in 1984 was 18.6 percent, the greatest increase in 14 months.

In May, parts sold to other dealer and independent shops showed a gain of 28.3 percent over last year. Total labor sales, customer-paid and warranty, were up 13.9 percent from the year earlier.

Gross profit during the month on all labor, parts and accessory volume—the most important indicator from the dealers' view—increased 10.8 percent over a year ago.

There was an increase of 8.7

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SERVICE INDEX
113.5★

	May, '85 vs. May, '84	5 mos., '85 vs. 5 mos., '84
Gross Profit on All Labor and P&A Sales	+10.8%	+10.2%
Repair Orders Written	+ 6.0%	+ 9.5%
Total Labor Sales (Customer & Warranty)	+13.9%	+13.5%
Shop Parts Sales (Customer & Warranty)	+8.7%	+10.7%
Sales of All P&A	+6.1%	+6.9%

★—Survey by Automotive News shows that dealers' service and parts business in May, 1985, was 113.5 percent of business in May, 1984. Service business in the first five months of 1985 was 110.4 percent of business in the corresponding period in 1984.

New plant, new car

Joe Wissers

'86 Toronado steps out

The redesigned Oldsmobile Toronado is one of the lines that will be produced at General Motors' new Poletown assembly plant on the Detroit-Hamtramck border. The plant, which begins production for the 1986 model year, also will build Buick Riviera, Cadillac Eldorado and Cadillac Seville.

Several key decisions must be made

Toyota strategies for U.S. plant

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES.—The current flurry of speculation about a U.S. assembly plant for Toyota underscores the important decisions that face the leading import nameplate in this market.

News Analysis

The decisions include how much of the company's product line will be built in the U.S., where those vehicles will be produced and how much those investments will cost in the long run if there is a dramatic downturn in sales and a return to price competition among the imports.

Basically, there are two strategies Toyota can employ. It can add a second line at the New United Motor Mfg., Inc., plant in Fremont, Calif., to produce a Corolla-class vehicle for U.S. distribution, or it can choose a greenfield site to construct a new plant.

A third, and possibly most likely scenario, would find Toyota doing both.

• The linchpin is the recently completed labor agreement between NUMMI and the UAW. By having an agreement that Toyota can live with in the U.S., the door is open for an assembly plant elsewhere.

Sources contacted by Automotive News indicate that some sort of decision has been made regarding the greenfield site, but that only a select number of top Toyota officials in the U.S. know what it entails and they're not talking.

It is believed that the company will try to play it close to the vest as long as possible, and some maintain that the announcement will be made to the dealers first during a trip to Japan in the fall.

However, if the plant is to be operational by 1988, one source said, a lot of work has to be done in the upcoming months and it will be difficult to keep that activity under wraps. If that is the case, the announcement may be made by the parent company sooner than originally planned.

News reports have identified potential plant sites as Kansas City; Nashville; Kentucky, and Indiana.

Sources indicate that a Tennessee plant is unlikely since rival Nissan already has a facility in Smyrna.

More than a year ago, reports surfaced that Toyota was eying Kansas City, Kans., as a possible home for a U.S. plant, and it's likely that the company will select a Midwest base for the project since that is one region were local production may help boost sales penetration.

Other signs seem to indicate that the product may very well be the next generation Camry, if Toyota decides to go ahead with

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U.S.-car supply rises to four-month high

By Kathleen Hamilton
Assistant Managing Editor

Inventories of new domestic cars climbed last month, and slower sales aggravated the situation a bit. July opened with 1,576,762 cars in dealer and factory inventories, more than on June 1 but fewer than on May 1.

The July 1 stockpile was enough for 58 sales days, the highest days-supply number in four months.

On June 1, there were 1,546,188 cars in stock, or 50 days' worth. The July 1, 1984, stockpile was 1,445,799 cars, good for 52 days.

Almost all the increases among the nameplates' days-supply figures were due to slower sales. Production in most cases was cut—just not enough to offset the sales drops. Nevertheless, the 58-day average for the industry remained within the ideal range.

July 1 figures showed 28 nameplates with significant increases in their days-supply numbers and only five with substantial decreases.

Two of the five were Lincolns: Continental and Mark VII both saw little change in production levels but significant sales increases. Two others were Mercurys: Marquis sales were steady, but production dropped. Sales of Grand Marquis rose during its second month of production downtime for changeover to a new plant.

The fifth exception to the industry trend was the Chrysler Fifth Avenue. The drop in its days-supply figure was due to a sales increase coupled with a decrease in production.

The increases in the days-supply figures for the subcompact and compact segments may be partially explained by expiration of incentives on those models.

Inventories were divided this way on July 1: Subcompact, 18.18 percent; compact, 21.60 percent; intermediate, 33.34 percent; standard, 13.93 percent, and luxury, 12.95 percent.

One month earlier the split was subcompact, 17.40 percent; compact, 19.85 percent; intermediate, 34.92 pecent; standard, 14.77 percent, and luxury, 13.06 percent.

July 1 inventories were divided this way by company: American Motors, 2.71 percent; Chrysler Corp., 17.75 percent; Ford Motor Co., 25.27 percent; General Motors, 52.66 percent; Volkswagen, 1.12 percent; Honda, 0.29 percent, and Nissan, 0.20 percent.

The month-earlier split: AMC, 2.81 percent; Chrysler, 15.62 percent; Ford, 27.76 percent, GM, 52.30 percent; VW, 0.98 percent; Honda, 0.45 percent, and Nissan, 0.08 percent.

Domestic models and their July 1 days' supplies:

Subcompact—Alliance, 114; Encore, 102; Laser, 85; Omni, 82; Chevette, 81; Daytona, 76; Charger, 75; Fiero, 74; Horizon, 73; Golf, 73; Nova, 72; EXP, 65; Lynx, 62; Turismo, 62; Pontiac 1000, 53; Escort, 48; Nissan Sentra, 21, and Honda Accord, 9.

Compact—Eagle, 231; Aries, 100; Reliant, 98; LeBaron, 94; Cimarron, 85; Camaro, 68; Firenza,

Please turn to Page 56, Col. 3

breaking news

AMC sets tentative 1986 prices

SOUTHFIELD, Mich.—American Motors has issued tentative prices on its 1986 models, authorized selling before the official Oct. 1 introduction date and reduced its dealer discount on base models from 10 percent to 9. Average-equipped Renaults will increase $54, or 0.7 percent, although base prices on all but two Renault models drop. Average-equipped Jeeps and Eagles increase $324, or 2.1 percent. The new Jeep Comanche pickup is tentatively priced at $7,049 for the 2WD version, $8,699 for the 4WD.

New incentives offered on Aries, Reliant

DETROIT.—Chrysler Corp. last week launched the Reliant/Aries Saver's Choice program, which offers buyers of 1984 and 1985 K-cars a $400 savings allowance or 8.8 percent Chrysler

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For dealers, top management

Dedeurwaerder maps AMC survival plan

By Richard Johnson
Detroit Reporter

American Motors will report a bigger loss in the second quarter than its $29 million first-quarter deficit, according to Jose Dedeurwaerder, AMC president and chief executive officer.

But Dedeurwaerder told AMC/Renault/Jeep dealers and top management at a special, unpublicized gathering in Dearborn last week that the company is on the high road to profitability.

During an interview with Automotive News sandwiched between the meetings in Dearborn, Dedeurwaerder also said:

1. U.S. introduction of the highly touted Renault Alpine sports car has been delayed until the spring of 1987.

2. The imported Renault Fuego and 18i models will be phased out by the time AMC's five-year product development plan is fully in place in 1987.

3. The new compact model due to arrive from France is now scheduled for U.S. introduction in the spring of 1987 and will comprise a full line, including a wagon.

4. With new labor terms negotiated with the company's Wisconsin workforce, AMC will attempt to work with Wisconsin state officials to improve the company's competitive position there.

5. AMC has no plans to replace the aging Kenosha assembly plant with a new, modern facility.

6. AMC is waiting for Renault Chairman Georges Besse to obtain necessary authorization in France on new loans to AMC that would reportedly total $175 million through 1987.

7. Whether he is elected AMC chairman later this week by the company's board of directors is "not important." Dedeurwaerder said he has all the tools he needs to operate effectively as AMC's chief executive officer.

AMC last week brought together about 600 top managers of the company and some 60 key dealers to address what Dedeurwaerder described as "exaggerated negative comments" in the media about conditions at AMC.

Amid declining sales for Alliance and Encore, the labor negotiations, the first-quarter loss after a slim profit in 1984 and a 25 percent reduction in departmental budgets earlier this year, Dedeurwaerder said the company has come in for a roasting in the press.

• "You have negative comments when you have to cut out 25 percent of your controllable costs and when you have to fix a labor situation in Wisconsin that is 20 years old," he said. "The press was taking that in a very negative way, and that impacts the morale of the dealers and the morale of the people inside the company."

Dedeurwaerder said the company's losses this year are consistent with what AMC executives have said all along about the company's five-year product plan that concludes in 1987.

He said the company's modest $15.5 million profit last year after a loss of $146.7 million the year before has tended to raise expectations about the company.

Dedeurwaerder once again countered persistent rumors that Renault will abandon its U.S. partner and that AMC is about to sell its profitable Jeep operations.

"In April, we told the stock-

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Rising star in Canada

The 1985 Hyundai Stellar mid-size sedan debuted in Canada April 1 and is carving another niche north of the border for the South Korean auto maker. The rear-wheel-drive vehicle, based on Ford of Europe's Cortina and powered by a 1.6-liter OHC engine, joins the Pony subcompact in Hyundai's Canadian lineup. The Stellar's U.S. debut is scheduled for 1987.

Hyundai Stellar is hot in Canadian market

By Richard Johnson
Detroit Reporter

Hyundai Motor Corp.'s second Canadian entry, the mid-size Stellar sedan, is carving out another niche for the Korean car company that leaped into Canada last year with sales of more than 25,000 Pony subcompacts.

Being promoted as a new model "from the Pony people," the rear-drive Stellar is billed as an economical alternative to popular Eurosedans and Japanese mid-range offerings. According to Stellar advertising literature, "the cost of luxury has never been lower."

The Stellar is due to be introduced in the U.S. in 1987. Hyundai Motor America, which recently appointed its first 50 dealers, expects to begin selling the new front-drive Pony Excel subcompact in the U.S. next January.

After its first three months on the Canadian market, the Stellar reached 30 percent of Hyundai's overall volume in June, or about what company officials projected for the car. For the year-to-date, Hyundai ranks first among importers in Canada with combined Pony and Stellar sales of 31,661.

The Stellar went on sale in Canada on April 1. Hyundai sold 1,808 units in April, 2,392 in May and 2,868 in June, or 30 percent of the company's 9,561 total for the month. Hyundai is projecting overall Canadian sales of 50,000-55,000 for Pony and Stellar in 1985.

Hyundai's first-year success in the Canadian market drew pressure to remove duty-free status for the South Korean company.

As a result, the Canadian Government last spring set new duty levels on autos and auto parts imported from "developing nations," including South Korea. A new 7 percent duty on replacement parts

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Mazda, Kia to build small car for Ford

By Francis J. Gawronski
Tokyo Bureau Chief

TOKYO.—Mazda Motor Co. announced that it will join with Kia Industrial Co., of South Korea, to build a new small car that may be marketed in the U.S. by Ford Motor Co. sometime in 1988.

Under the tentative plan, Mazda will develop a 1,000-1,500-cc auto at a yet-to-be-constructed factory in South Korea and will supply parts. Kia will produce 125,000 of the subcompacts annually.

Although early plans call for the third-largest Japanese auto maker to design the vehicle, a Mazda spokesman pointed out that Kia has the capability of designing its own car and at one time produced an automobile based on a Mazda model until ordered by the government to concentrate on producing trucks.

The Seoul-based auto maker recently received government approval to add car production and sales to its current operations. Mazda said production of the new car will start when it is legally permissible, probably in 1987.

• According to some sources, the new car will be sold through Ford Motor dealers in the U.S. A Ford spokesman in Tokyo said that the company has been "desiring to purchase a car from Kia for some time." He said negotiations are progressing "but nothing has been finalized."

The spokesman also noted that Ford Motor has "an indirect relationship" with Kia through its 25-percent stake in Mazda, which in turn has an 8-percent equity in Kia.

It was also noted that Ford Chairman Donald E. Petersen revealed at the recent stockholders' meeting that the company was negotiating to buy a Korean car smaller than the Escort to sell in the U.S.

Initially, Mazda will supply Kia with key components for the car, such as engines and transmissions, along with technical assistance. However, in time, Kia will produce those components and other parts to achieve 100-percent local content.

Mazda has denied repors that it plans to import the Korean-produced car for sale in Japan. Also denied was a report that Mazda and Ford plan to increase their stakes in Kia.

The Mazda sokesman said the Japanese firm and Kia have had an assistance agreement since 1981.

Company steps up cost-cutting measures

Uncertainty grows in GM ad world

By Edward Lapham
Marketing Editor

There were more changes, and even a little new uncertainty in the General Motors media arena last week.

Ad agency Campbell-Ewald, which industry sources say is under fire from client Chevrolet to reduce its full-service billing commission rate from 15 to 12.5 percent, closed seven field offices, eliminated its public relations operation and offered early retirement to a number of employes.

"About 14 or 15" employes will be leaving, according to Campbell-Ewald Chairman Paul L. John.

John also said the billing rate is "still 15 percent," but acknowledged there is "always pressure" from clients to reduce costs.

Although many industry sources said privately they believed the C-E cuts were a direct result of the corporate-financed study of marketing and media services and other operations by management consulting firm McKinsey & Co., John said there is "no relationship."

"What we've done parallels what Chevrolet did," he said. "They've been streamlining things for a year and a half and who knows if their changes came from McKinsey or somewhere else?"

Campbell-Ewald, the largest GM supplier ad agency, had total 1984 billings of $390 million. Of that, about $200 million were from Chevrolet. A rate cut from 15 to 12.5 percent would therefore reduce income about $5 million.

Despite a flurry of panic and rumors in the Detroit ad community, there were apparently no similar cuts at other GM agencies.

D'Arcy MacManus Masius, which handles Pontiac and Cadillac among other GM accounts, and McCann-Erickson, which handles Buick, both reported business as usual.

The Campbell-Ewald cuts included closing Chevrolet account field offices in San Francisco, Los Angeles, Dallas, Atlanta, Chicago, New York and Detroit.

John said the restructuring of Chevrolet's field operations necessitated a similar restructuring at C-E. The agency will now use "field travelers" to coordinate campaigns with the 152 Chevrolet dealer associations.

"There certainly won't be any diminished service," he said. "In fact, it will probably be a little quicker."

John also denied reports from within the Detroit ad community which said more cuts at Campbell-Ewald are likely.

"There will be no more cuts," he told Automotive News.

John also labeled as "conjecture" reports that the McKinsey study had tagged C-E's product information department as being superfluous to the client's own staff, and therefore a likely cut target.

While the Campbell-Ewald cuts caused some uneasiness within the Detroit ad community, local

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Chrysler, UAW to open contract talks Aug. 12

DETROIT.—Chrysler Corp and the UAW will open negotiations Aug. 12 at Chrysler headquarters in Highland Park.

Talks between the UAW of Canada and Chrysler Canada will begin Aug. 13 in Toronto. The Chrysler-UAW contracts in both countires expire Sept. 15.

Hyundai's first

Ground has been broken for the first dealership in Hyundai Motor America's 30-state network. The dealership, Cormier Hyundai, San Diego, is owned by John Peterson, left, and Len Cormier, right. Also shown are Max Jamiesson, Hyundai Motor America executive vice president, and Sung Hak Park, president.

More belt laws dim prospects for air bags

By Jake Kelderman
Washington Reporter

WASHINGTON.—Efforts of domestic and import auto firms to negate the passive-restraint requirement by having state seatbelt-use laws enacted may prove successful long before the deadline, according to the Highway Users Federation.

Jack Martin, spokesman for the organization, said 14 states already have passed such laws and five more plus the District of Columbia are considering them.

Passive restraints—either air bags or automatic belts—must be

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